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providers to provide and brand interstate operator services. Further, it is common practice in the industry for aggregators and OSPs to engage in "split branding," in which, during the audible brand, the payphone caller hears the name of both the payphone aggregator and the OSP whose identity is required to be disclosed under TOCSIA. BellSouth respectfully requests that the Commission reconsider its use of the conjunctive/disjunctive "and/or" and clarify that its statement in paragraph 244 quoted above<sup>72</sup> was not meant to prohibit such branding arrangements.

As the Commission is well aware, there are a small number of interstate OSPs who have engendered a large volume of complaints concerning their rates and the quality of their service. BOC PSPs will want to be able to negotiate with interstate OSPs to bill end user customers reasonable charges for the long distance transport of their telephone calls. BOCs will want to assure callers, through the imprimatur of their brand names and service marks, that by selecting a BOC payphone the end user can trust that a BOC payphone provider has selected an interstate OSP that meets the BOCs' criteria for quality, service and reasonable prices. Further, many interstate OSPs do not have the ability to provide differential branding for intraLATA and interLATA operator service calls. Without, at least, a split branding arrangement, BOC carried intraLATA traffic would have to be branded under the interstate OSP's brand.

The Commission should explicitly recognize that the rates charged end users for interstate operator services provided from BOC payphones must necessarily be at the heart of the negotiations authorized by Congress between location providers, BOCs and carriers under Section 276(b)(1)(D). The Commission should further explicitly recognize that where a BOC

<sup>&</sup>lt;sup>72</sup> Supra, n. 67 and accompanying text.

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provides intraLATA operator services, or operator services to interexchange carriers, and is further involved in setting the rates for any of the operator services provided from their payphones, that BOC is subject to TOCSIA's multiple OSP branding rules. Where a BOC aggregator is not the TOCSIA OSP for the purpose of that statutes' sudible branding requirements, the Report and Order must not be read to prevent the BOC aggregator from employing a split brand with the TOCSIA OSP, provided that the payphone placarding, and all billing, accurately disclose the identities and relationships of the BOC aggregator and the TOCSIA OSP. The Commission's reconsideration of its use of the conjunctive/disjunctive and clarification that BOC PSPs are not precluded from engaging in the foregoing activities will further Congress's dual goals of promoting competition and encouraging the widespread deployment of payphone services to the general public.

#### CONCLUSION

For the foregoing reasons, BellSouth requests that the Commission reconsider its Report and Order as set forth above.

Respectfully submitted,

**BELLSOUTH CORPORATION** 

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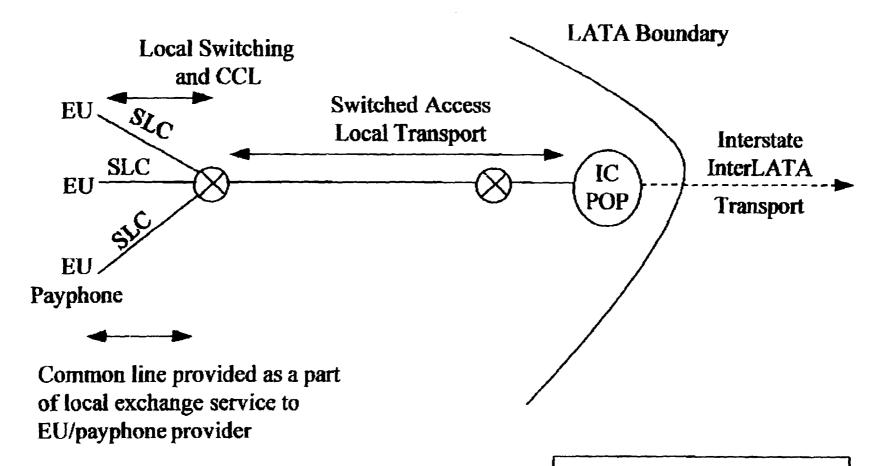
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DATE: October 21, 1996

## Exhibit A



#### **CHARGES**

- 1. SLC assessed to end users (in addition to local exchange service charges).
- 2. Switched access local transport, local switching and CCL assessed to interexchange carrier/access customer.

### **KEY**

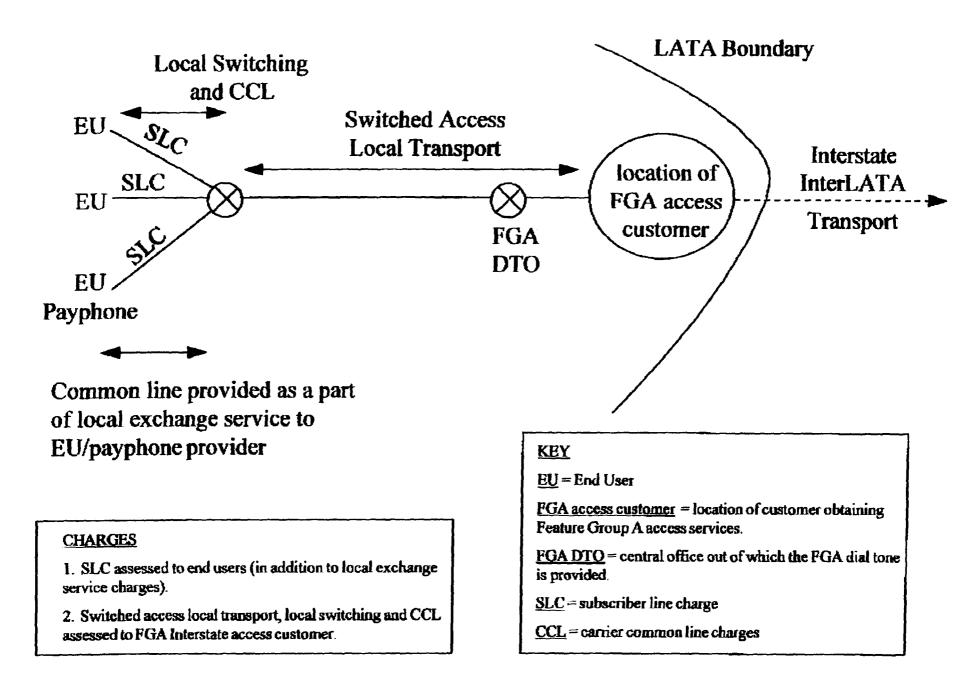
EU = End User

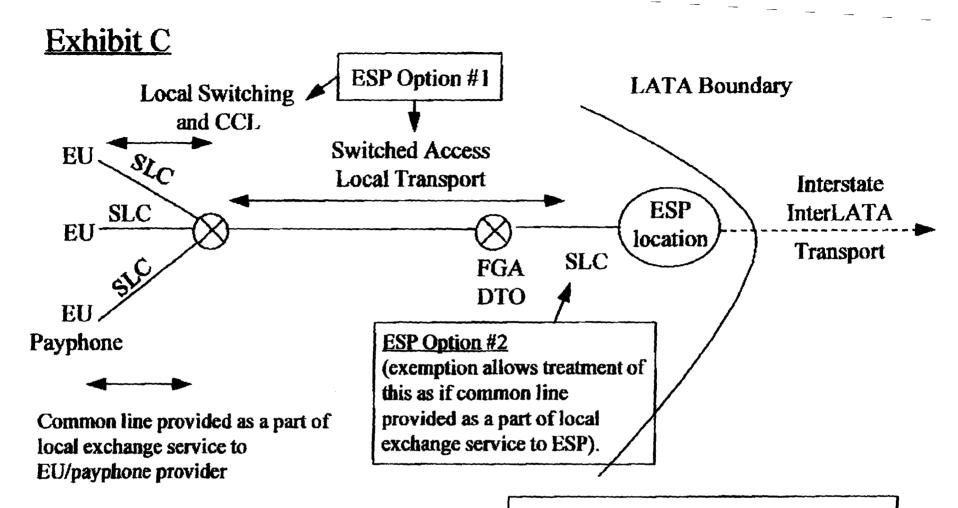
<u>IC POP</u> = location of interexchange carrier or other access customer.

<u>SLC</u> = subscriber line charge

<u>CCL</u> = carrier common line charges

# Exhibit B





#### CHARGES

- 1. SLC assessed to end users (in addition to local exchange service charges).
- Option 1 switched access local transport, local switching and CCL assessed to ESP; OR

Option 2 - ESP may take advantage of the ESP exemption from access charges and instead pay local exchange service charges and SLC for connection from its ESP location to the dial tone office.

### KEY

EU = End User

<u>ESP Location (FGA access customer)</u> = location of the enhanced service provider.

<u>FGA DTO</u> = central office out of which the FGA dial tone is provided.

SLC = subscriber line charge

CCL = carrier common line charges